



Committee On Finance

Max Baucus, Ranking Member

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Contact: Laura Hayes

202-224-4515

Baucus Responds to President Bush's 2004 State of the Union Address

(WASHINGTON, D.C.) U.S. Senator Max Baucus, ranking member of the Senate Finance Committee, issued the following statement after President Bush's 2004 State of the Union address:

"The President has faced a number of unique challenges during his years in office, including the September 11, 2001 attacks on our nation, a struggling economy, and the war with Iraq. While I appreciate a number of the steps this Administration has taken to make our country safer and to improve the economy, there is much more to be done.

In 2001, I worked together to pass a significant tax cut to help boost the economy and create new jobs. But our fiscal situation was a much different picture than it is now. The budget was in the black, allowing us to send tax rebate checks directly to the American people. Today we're facing record deficits in the range of \$500 billion and I believe that we must fully examine the budget and proceed carefully before we move on making any or all of the tax cuts permanent. It's also important that we weigh all of our priorities and make fiscally responsible decisions.

Some priorities I'm focused on include ensuring that all Americans have access to affordable health insurance. In 2002, I proposed employer health insurance tax credits to help small businesses provide health coverage for their employees. The proposal the president has outlined could result in leaving people to deal with the costly individual insurance market without providing them sufficient assistance to purchase adequate coverage.

In addition, I am concerned that the president's proposal for Social Security is taking us down a slippery slope toward a fiscally irresponsible plan to privatize the program. As the baby boom generation begins to retire, it's vital that we shore up Social Security to prevent the burden from falling on the shoulders of our children and grandchildren.

I encourage the President to fully examine our fiscal situation and to make responsible and prudent spending decisions that are in line with our priorities of boosting the economy, planning for our children's future, improving our nation's health care, and protecting our homeland. National defense spending will continue to be a significant piece of the budget for the near future. I agree with President Bush that it is vital that our military has the funding it needs to keep our nation and our troops safe. Our domestic and international responsibilities are significant - we must choose our spending priorities wisely. "

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